



March 2017
Department of Resources Recycling and Recovery

RECYCLED FIBER, PLASTIC, AND GLASS GRANT PROGRAM

APPLICATION GUIDELINES AND INSTRUCTIONS

2nd Cycle (FPG2) – Fiscal Year 2016–17

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GRANT CYCLE OVERVIEW

This resource document provides applicants with instructions to access and complete the application online and information about grant administration. The application can be accessed on the [Grant Management System \(GMS\) webpage](http://www.calrecycle.ca.gov/Funding/GMS/default.htm) (<http://www.calrecycle.ca.gov/Funding/GMS/default.htm>).

The Department of Resources Recycling and Recovery (CalRecycle) administers the Recycled Fiber, Plastic, and Glass Grant Program (program) pursuant to section 42999 of the Public Resources Code. This competitive program is designed to further the purposes of the California Global Warming Solutions Act (AB 32) by lowering overall greenhouse gas emissions through the expansion of existing capacity or establishment of new facilities in California that use California-generated postconsumer recycled fiber (paper, textiles, carpet or wood), plastic, or glass to manufacture products.

The Greenhouse Gas Reduction Fund established for California’s Cap-and-Trade Program auction proceeds provides opportunities for the state to invest in projects to help California achieve its climate goals while providing benefits to disadvantaged communities. These investments are collectively referred to as California Climate Investments. Funding for the Recycled Fiber, Plastic, and Glass Grant Program is provided by this fund.

TIMELINE

Date	Activity
May 4, 2017	<p>Alternative Greenhouse Gas Methodology Request Period</p> <ul style="list-style-type: none"> • If an eligible project cannot be calculated using the standard quantification methodology, applicant may request to use an alternative methodology by this date. • Please see the Alternative Methodology Request and Process section for more information.
May 11, 2017	<ul style="list-style-type: none"> • CalRecycle notifies applicant via email on decision of whether applicant may propose an alternative methodology.
May 4, 2017	<p>Question and Answer Period</p> <ul style="list-style-type: none"> • Questions may be submitted from application release date to this date. • Questions must be submitted by email.
May 11, 2017	<ul style="list-style-type: none"> • All answers will be posted (tentative).
May 25, 2017	<p>Application Due Date</p> <ul style="list-style-type: none"> • Applications must be submitted in GMS by 11:59 p.m. on this date • Customer service will be available until 4:00 p.m. on this date • If approved to propose an alternative methodology, applicant must submit the methodology along with detailed calculations by this date.

Date	Activity
June 8, 2017	Secondary Due Date <ul style="list-style-type: none"> • Approved Resolution/Letter of Commitment must be uploaded in GMS by this date. • If applicable, Environmentally Preferable Purchasing and Practices (EPPP) Policy must be adopted and EPPP Notification document must be uploaded in GMS by this date.
October/ November 2017	Grants Awarded CalRecycle considers funding recommendations, and if approved, conditionally awards grants during this month (tentative).
April 1, 2020	Grant Term Notice to Proceed to this date.

ELIGIBLE APPLICANTS

California Labor Code section 1782 prohibits a charter city from receiving state funding or financial assistance for construction projects if that charter city does not comply with Labor Code sections 1770-1782. If any applicants or participating jurisdictions are charter cities or joint powers authorities that include charter cities, the lead participating jurisdiction must certify on the Detail tab of the application that Labor Code section 1782 does not prohibit any included charter city from receiving state funds for the project described in this application. If it is determined after award that a participating jurisdiction is a charter city prohibited from receiving state funds for this grant project, the grant will be terminated and any disbursed grant funds shall be returned to CalRecycle.

Eligible applicants include:

- Local governments (cities, counties, or cities and counties).
 - Cities, counties, and cities and counties as defined in Public Resources Code section 30109.
 - Regional or local sanitation agencies, waste agencies, or Joint Powers Authorities.
- Private, for-profit entities. For purposes of this program, a “private, for-profit entity” is defined as a business intended to operate at a profit and return a profit to its owners. The business must be qualified to do business in California and be in good standing with all applicable California state agencies, including, but not limited to, the Secretary of State and the Franchise Tax Board. Any and all subsidiaries, divisions or affiliated businesses are considered part of the primary business entity for the purpose of applying for and receiving a grant award under the Recycled Fiber, Plastic, and Glass Grant Program. A business is considered an “affiliated business” if it has at least one owner with a 40 percent or greater interest in another applicant business.
- State agencies (including offices, departments, bureaus, and boards).
- The University of California, the California State University, or California Community Colleges.
- Nonprofit organizations (except private schools) registered with the federal government under 501(c)3, (c)4, (c)6 or (c)10 of the Internal Revenue Code.

- Qualifying Indian Tribes. A “Qualifying Indian Tribe” is defined as an Indian tribe, band, nation or other organized group or community, residing within the borders of California, which:
 1. Is recognized for special programs and services provided by the United States to Indians because of the status of its members as Indians; or
 2. Can establish that it is a government entity and which meets the criteria of the grant program.

Only two applications per qualifying entity will be accepted. Eligible applicants may submit an individual, cooperative, or regional application. For a cooperative or regional application, one entity must be identified as the Lead Participant to act on behalf of the participating jurisdictions. Lead Participants and participating jurisdictions are subject to the two-application rule. If more than two applications are submitted by an applicant, it will be the applicant’s responsibility to decide which applications should go forward. If the additional application(s) are not withdrawn, the first two applications, as determined by timestamp, will move forward and all other applications will be disqualified.

COOPERATIVE APPLICATION REQUIREMENTS

Private entities, or private entities and public entities, may join together in a cooperative grant application in which two or more eligible entities join together for the purpose of grant implementation. A Lead Participant must be designated to act on behalf of all participating entities. The Lead Participant is the applicant/grantee who will be responsible for the performance of the grant and all required documentation. All participating entities will be grantees. CalRecycle will direct all official correspondence and grant payments to the Lead Participant. All entities involved with a cooperative application will be required to execute a grant agreement.

REGIONAL APPLICATION REQUIREMENTS

Local governments may join together in a regional grant application in which two or more eligible jurisdictions join together for the purpose of grant implementation. A Regional Lead Participant (Lead) must be designated to act on behalf of all participating jurisdictions. The Lead is the applicant/grantee who will be responsible for the performance of the grant and all required documentation. CalRecycle will direct all official correspondence and grant payments to the Lead. If a jurisdiction is a participant in a regional application, it may not apply individually.

JOINT POWERS AUTHORITY APPLICATION REQUIREMENTS

Joint Powers Authorities (JPA) may submit a grant application as an individual applicant. The JPA must upload a copy of its joint powers agreement giving it authority over solid waste management, listing all member entities, and containing the signature of all members. An entity may not submit an individual application if that entity is also a member of an applicant JPA.

PROJECT REQUIREMENTS

Projects must be located in California and result in permanent, annual, and measurable:

1. Reductions in Greenhouse Gas (GHG) emissions by manufacturing products with California-generated fiber, plastic, or glass compared to existing practice of landfilling;
and

2. Increases in quantity (tons) of California-generated fiber, plastic, or glass newly diverted from landfill disposal, **and** used to manufacture finished products.

For the purposes of this program, the definition of a “finished product” is a good or package in a form which requires no further processing or forming before it is offered for sale to an end-user. It does not include intermediate products, such as plastic pellets sold as feedstock to a converter for fabrication into a consumer product.

For purposes of this program, “newly diverted” means the tons of materials that are currently being landfilled that will instead be diverted as a result of this project. It does not include tons of material already being collected for recycling, or potential diversion accomplished by substituting a frequently recycled material (such as polyethylene terephthalate/PET) for one that is seldom recycled (such as polyvinyl chloride/PVC).

ELIGIBLE PROJECTS

- Construction, renovation or expansion of facilities to increase in-state infrastructure to manufacture value-added products using California-derived newly diverted fiber, plastic, or glass into finished products; this includes purchase of equipment, machinery and real estate improvements associated with the installation thereof.
 - A manufacturing facility may partner with another facility, including a supplier of recycled-content feedstock
- Construction, renovation, or expansion of facilities to increase in-state infrastructure for the processing of California-derived newly diverted fiber, plastic or glass waste when providing processed materials to an in-state manufacturing facility that is using the waste to make finished products.
 1. The project must result in an increase in tons of material newly diverted from landfills beyond that which the processor was already diverting.
 2. The processor must provide proof of binding agreement with a California facility that is receiving the processed feedstock to make recycled-content finished products.
 3. If the manufacturing facility that receives materials from a processing applicant also submits an application, the applicant must demonstrate how each project will result in discrete increases in tons of material diverted from landfills and reductions in GHG emissions.
- Expansion of projects that have previously received Greenhouse Gas Reduction Funds are eligible provided the project meets the grant criteria and the previously funded project is progressing in a manner satisfactory to CalRecycle.
- A textile reuse component may be coupled with a recycled fiber, plastic, or glass project, and must be submitted as a cooperative application. The textile reuse operation may be located anywhere in California, not necessarily adjacent to the larger project, though a portion of the grant funds awarded must be spent on the textile reuse component. The textile reuse component of the project must result in measurable reductions in landfill disposal of textiles. Textiles include, but are not limited to, clothing, linens, and towels. The textile reuse component of a project is one that measurably prevents textiles from becoming waste normally destined for landfill disposal and results in rescued textiles being distributed to people in California. Any textile residuals must be tracked and sent to a recycling facility when one is available within the project service area. Textile reuse partners must be non-profit organizations distributing textiles at little or no cost within California.

AVAILABLE FUNDS

A total of \$9,000,000 is available for this grant cycle, fiscal year 2016–17.

Grant awards are divided between infrastructure and performance payments.

- An applicant can request up to **\$2,400,000** for recycled fiber, plastic, and glass projects for capital expenses and other eligible expenses for the infrastructure portion of the project (as described in the eligible projects section).
- After an application is recommended for award, CalRecycle will add an additional amount equaling 25 percent of the amount approved for infrastructure expenses for performance payments. The infrastructure amount and performance payment amount will equal the total grant award. As a result, the maximum award amount per application is \$3,000,000.
- The infrastructure portion of the grant will be paid on a reimbursement basis.
- Performance payments are made for each ton of California-generated postconsumer recycled fiber, plastic, or glass newly diverted from landfills and used to manufacture a finished product during the term of the grant.
- Performance payments may be made quarterly on a per ton basis with the dollar amount determined by dividing the amount requested and approved for performance payments by the total number of newly diverted tons by the project during the grant term as stated in the application.

GRANT TERM

The Grant Term begins on the date of the Notice to Proceed email. Grant-eligible program expenditures may start no earlier than the date indicated in the Notice to Proceed.

The Grant Term ends on April 1, 2020 and all eligible program costs must be incurred by this date. The Final Report and final Payment Request are due on April 1, 2020. CalRecycle recommends reserving the period from March 1, 2020 to March 31, 2020 exclusively for the preparation of the Final Report and final Payment Request, though they may be completed earlier. **Costs incurred to prepare the Final Report and final Payment Request are only eligible for reimbursement during the Grant Term.**

ELIGIBLE COSTS

Eligible costs must be incurred, services provided, and goods received after receiving a Notice to Proceed and before April 1, 2020. All grant expenditures must be for activities, products, and costs specifically included in the approved Work Plan and approved Budget.

Textile reuse: public education/outreach and labor costs, (i.e., driver and nonprofit labor wages/salaries up to 50 percent of the textile reuse budget are eligible).

INELIGIBLE COSTS

Ineligible costs include, but are not limited to:

- Costs incurred prior to receipt of the Notice to Proceed letter or after April 1, 2020.
- The purchase or retrofitting of vehicles or containers for collection of feedstock when not associated with a textile reuse component.
- Costs associated with projects that use pyrolysis, gasification, or other thermal processes to produce fuel, electricity, or heat.
- Collection/delivery/purchase of recycled fiber, plastic, and glass feedstock.

- Combined costs for permitting, public education/outreach, indirect costs, and salaries not related to construction or installation exceeding five percent of the total amount requested. Costs associated with public education/outreach and labor for the textile reuse component of a project are excluded when calculating the five percent limit.
- Design and engineering costs exceeding five percent of total amount requested.
- The same activities or purposes already funded through other agencies using California Climate Investments funds.
- Costs currently covered by another CalRecycle loan, grant, or contract, or covered by a grant or contract offered by another state agency.
- Environmental review for project permitting, including the preparation of Environmental Impact Reports or related documents.
- Lease of land or buildings.
- Purchase of buildings that are not associated with the processing of materials.
- Travel costs exceeding the state-approved rates for mileage, per diem, lodging, etc.
- Purchases of offsets or allowances.
- Costs deemed unreasonable or not related to the grant project by the Grant Manager.
- Costs associated with the purchase of equipment and supplies that will not be under the direct control of a grantee.
- Textile reuse: public education/outreach and labor costs shall not exceed 50 percent of the Textile reuse budget.

COORDINATION WITH AIR RESOURCES BOARD

As part of project selection, monitoring, and ongoing reporting, CalRecycle will consult with the Air Resources Board (ARB) to ensure that the GHG emission reduction estimation methodologies are as consistent as practicable with methodologies used in other AB 32 program areas.

FACILITIES ON NON-OWNED PROPERTY

Applicants that want to establish facilities or expand existing facilities on property not owned by the applicant must prove a legally binding long-term commitment. The application must clearly state the ownership or leasehold interests of the parties. A copy of any agreement between the applicant and private owner must be uploaded in the Documents tab of the application. See the Applicant's Documents section for more information.

CALIFORNIA ENVIRONMENTAL QUALITY ACT COMPLIANCE

Applicants shall complete all California Environmental Quality Act (CEQA) requirements for their project within 12 months of the notice of award. A grant agreement will not be issued to the awarded applicant until CalRecycle has received notice of completion of all CEQA requirements from the lead agency. Failure to complete CEQA or failure to notify CalRecycle of such completion within the 12-month timeframe may result in a termination of the award.

ENVIRONMENTALLY PREFERABLE PURCHASES AND PRACTICES POLICY REQUIREMENT

All CalRecycle grant applicants are required to develop, adopt, and implement an Environmentally Preferable Purchases and Practices (EPPP) Policy for their organizations. Applicants who have an EPPP Policy in place prior to submitting their application must certify to this fact on the Detail tab in the application. Applicants that do not have an EPPP Policy must adopt one by the secondary due date, June 8, 2017, and upload the EPPP Notification

document or the application will be disqualified. For more information, visit our [EPPP Frequently Asked Questions](#) webpage.

PUBLIC RECORDS REQUESTS

It is the policy of CalRecycle to make records requested by the public promptly available in accordance with the laws governing disclosure of records and information to the public. In general, all records in the possession of a state agency are public records subject to disclosure, unless a law provides that a particular kind of record or information is not a public record or is exempt or prohibited from disclosure. Upon request, the contents of your submitted application are subject to public records requests. The information that may be requested includes but is not limited to, contact information, project summary, and uploaded documents. If your application contains restricted documents, the restricted documents are excluded from disclosure.

CONFIDENTIALITY

We appreciate applicants' desire to treat certain documents provided to CalRecycle as confidential. The following describes what is considered confidential or proprietary information under the California Public Records Act (Government Code 6250, et seq.) and related regulations. It also describes how questions are resolved whether information is truly confidential, the legal protections for confidential information, and internal and program procedures to maintain confidentiality.

What is "confidential?"

Title 14 of the California Code of Regulations (14 CCR), sections 17041-17046, states that confidential or proprietary information shall include, but is not limited to:

1. Personal or business-related financial data, customer client lists, supplier lists and other information of a proprietary or confidential business nature provided by persons in applications, reports, returns, certification or other documents submitted to the Board which if released would result in harmful effects on the person's competitive position.
2. Tax information prohibited from disclosure, pursuant to the Revenue and Taxation Code.

Accordingly, appropriate documents submitted with an application that are clearly marked, on each page, "confidential/proprietary information" will be treated by CalRecycle pursuant to the procedures set forth in 14 CCR sections 17041-17046. However, the mere marking of documents (such as sales brochures, promotional literature and other general nonfinancial documents) as "confidential information" or "proprietary information" will not result in their being treated as confidential if they do not fall within the categories of protected financial documents listed above.

What if there is a question about what is confidential?

If CalRecycle received a request to disclose data claimed by the applicant to be confidential, CalRecycle would notify the applicant of the request and state that the documents were under review to determine whether information was correctly identified as "confidential." If there was any question whether specific information was confidential, CalRecycle would contact the person(s) identified in the application to provide a justification and statement why the information is confidential. The process for evaluating confidentiality claims is set forth in 14 CCR 17046.

What program procedures will keep information confidential?

The Financial Narrative and supporting documentation will be evaluated and analyzed only by CalRecycle's financial staff, kept confidential, and will be maintained with restricted access. Applicants must provide specific key financial information for three years to develop benchmarks to evaluate the program. The Public Records Act only applies to records maintained and retained by CalRecycle. Therefore, when an individual business' financial information is no longer needed to provide the services offered under the program, it will be destroyed, thus ensuring confidentiality.

QUESTION-AND-ANSWER PROCESS

Questions must be in writing and emailed to GHGReductions@CalRecycle.ca.gov.

Questions must be received by May 4, 2017 or they will not be accepted.

Periodically during the Question and Answer (Q&A) period, Q&As will be posted on the Q&As website. The Q&A website can be accessed from the Notice of Funds Available or from the application. Similar or related questions may be grouped together or re-worded for clarity and responded to as one question. All Q&As will be posted approximately one week after the deadline and are subject to updates. It is the applicant's responsibility to check this website for the latest information.

APPLICATION INSTRUCTIONS

APPLICATION ACCESS

The application is available in CalRecycle's web-based Grants Management System (GMS). Access to GMS is secure; therefore, you must have a CalRecycle WebPass in order to log into the system. Applicants who have not previously obtained a CalRecycle WebPass can create an account at [CalRecycle WebPass site](https://secure.calrecycle.ca.gov/WebPass/) (<https://secure.calrecycle.ca.gov/WebPass/>).

When you are ready to start an application, log into [GMS](https://secure.calrecycle.ca.gov/Grants) (<https://secure.calrecycle.ca.gov/Grants>), select "Apply for a Grant" on the left. Open grant cycles are displayed in a table. Find "Greenhouse Gas Reduction Grants, Recycled Fiber, Plastic, and Glass Grant Program, 2016–17, and FPG2" and select "Start Application." A pop-up window will appear asking for contact information. You will be added automatically as the Primary Contact, however, this can be updated later. The application opens to the Summary Tab.

APPLICATION CONTENTS AND INSTRUCTIONS

The components of the application are divided into tabs. To fill out an application, click on each tab and complete the sections in each tab as required. General directions are on the top of each tab and detailed information about the requirements for each tab is listed below.

It is the applicant's responsibility to ensure the online application and all required documents are signed and uploaded by the due date(s). Failure to do so will result in disqualification from the Recycled Fiber, Plastic, and Glass Grant Program. Examples of disqualifications include:

- Applicant does not meet the eligibility requirements.
- Project is not eligible.
- Failure to use required CalRecycle documents or forms.
- Uploading incomplete or blank documents to the Documents tab.
- Signature Authority fails to sign Application Certification.
- Missing information in the online application as required below.
- Submission of more than two applications.

Summary Tab

This tab provides a summary of the application, due dates, resource documents and links, application documents, and the Application Submission section. It is the applicant's responsibility to ensure that all required documents, based on the individual grant application/project, are submitted by the appropriate due date.

Applicant/Participant Tab

The applicant name is the legal name of the jurisdiction/organization that is legally responsible for grant administration, if awarded. Do not enter your personal name.

- Select the Add Applicant/Participant button and type in the Applicant Name and County.
- Search the table for the correct applicant name and select Add Applicant/Participant.
- Choose the Lead Participant radio button. Every application must have a Lead Participant even if it is an individual application with no participating jurisdictions.
- If it is not listed, click on Add New Applicant/Participant. Complete the items marked with a red asterisk and save the information.

- Enter the applicant/participant name as it appears on the Resolution or Letter of Commitment. Do not include the department or unit name.
- County names must be listed with the name first followed by the word “County,” e.g., “Sacramento County.”
- City names must be listed as “City of” followed by the city’s name, e.g., “City of Sacramento.”

For Regional, Cooperative, or Joint Powers Authority Applications

- Add the name of each eligible participating jurisdiction and choose the Participating Jurisdiction radio button.

Detail Tab

Complete this tab as follows:

- Enter a dollar amount in the Grant Funds Requested field. Do not exceed the maximum request amount of **\$2,400,000** for recycled fiber, plastic, and glass projects. Please round all amounts to the nearest whole dollar.
Note: An amount equal to 25 percent of the requested amount will be added to the project for performance payments. The sum of the amount for performance payments and the requested amount will equal the project award amount. A maximum project award amount shall not exceed \$3,000,000.
- Enter the Assembly Districts and Senate Districts. To select more than one district hold the “Ctrl” key while selecting the numbers.
- Enter the applicant’s department name, e.g. “General Services.” If the applicant does not have a department, the applicant’s name may be entered.
- Enter the grant payment mailing address.
- Project Summary/Statement of Use. In three to five sentences, briefly and concisely summarize:
 - What will be built, expanded, or improved?
 - How many additional tons of materials will be newly diverted annually from landfills and the associated reduction in GHGs?
 - What is the quantity of new products manufactured in California annually using the feedstock described above?**Note:** you will have an opportunity to explain the project summary in question one of the Narrative Proposal.
- Select the appropriate option for the Resolution or Letter of Commitment Requirement and optional Letter of Designation.
- Select the appropriate option for the Environmentally Preferable Purchasing and Practices Policy.
- Answer all program questions.

Contacts Tab

The application is required to have only one Primary Contact and at least one Signature Authority. Each contact entered into the application may be granted access by checking the box on the bottom of the contact’s detail screen. The contact will be able to log into GMS using his/her own CalRecycle WebPass and access the application.

- **Primary Contact.** One person authorized by the Signature Authority/Designee to manage and oversee the grant. This person will be the first contact with whom the Grant Manager will communicate.

- **Signature Authority.** The person(s) authorized to sign CalRecycle documents, such as grant applications, grant agreements, etc., as authorized by a board/council-adopted Resolution, Letter of Designation, or Letter of Commitment (if applicable).
- **Secondary Contact.** A person authorized (by the Primary Contact or Signature Authority/Designee) as the alternate person with whom the Grant Manager will communicate. (Not required)
- **Consultant.** A professional who provides advice in a particular area of expertise. If the applicant is awarded a grant, the consultants may manage the grant or only conduct specific activities, based on a written agreement between the applicant and the consultant outlining work to be performed. (Not required)

Budget Tab

Complete the budget document provided in GMS. Transfer the total of each budget category from the document into the budget tab. The budget document must be uploaded in the Documents tab and the budget amounts must match those entered in the Budget tab. The grant funds total must equal the Grant Funds Requested amount shown on the Detail tab.

Site(s) Tab

Add an entry for each grant project/site. List the site name, site type, the complete address, Environmental Protection Agency (EPA) ID or Solid Waste Information System (SWIS) numbers, as applicable. In the summary section, include the GPS coordinates, and identify whether you own or lease the property. If you lease the property, upload a copy of your lease agreement in the Documents tab of the application. See Lease Agreement for Facilities on Non-Owned Property in the Applicant's Documents section for more information.

Documents Tab

See the Application Documents section for documents that are required in the Documents tab. When uploading a document, enter a document title, select the appropriate document type from the drop down list, and enter the date that it was executed/signed, if applicable, or select "today's date."

After all the application documents are uploaded, return to the **Summary Tab** and print the **Application Certification** from the **Application Submission** section. The applicant must obtain a wet ink signature from the authorized Signature Authority (identified in your resolution or letter of commitment), scan the document, upload it, and retain the original hard copy document.

APPLICATION SUBMITTAL AND DEADLINE

The **Submit Application** button will be enabled. Click the **Submit Application** button and then the application status will change to **Submitted**. The application can only be submitted once; however, you will be able to upload certain documents until the secondary due date. Applications must be submitted no later than 11:59 p.m. on May 25, 2017. Customer service will be available until 4:00 p.m. on the application due date either by emailing grantassistance@calrecycle.ca.gov or calling (916) 324-8867.

APPLICATION DOCUMENTS

Electronic Signatures

Original signatures are required on CalRecycle documents or forms that certify information or are legally binding. If a signature block with penalty of perjury language is provided, please provide a wet ink signature. CalRecycle will accept electronic signatures on certain application documents. If you have questions regarding electronic signatures, email grantassistance@calrecycle.ca.gov.

CALRECYCLE DOCUMENTS

You can locate the CalRecycle documents on the Summary tab in the Application Documents section. To access the document, click on the link, open it up, fill it out, save it to your computer, and then upload it to the Documents tab. Below is a list of the documents. Unless a document specifies that it may be reproduced as necessary, **do not** alter CalRecycle documents. If you are having trouble with a document, please contact CalRecycle for assistance at grantassistance@calrecycle.ca.gov or call (916) 324-8867. Altered or reproduced CalRecycle documents or templates may result in automatic disqualification of your application, and you will not be considered for award.

Note: CalRecycle or ARB may make adjustments deemed necessary to correct calculations, figures, costs, etc. during the review and evaluation of submitted documents. Approved changes will be reflected in the grant agreement if awarded.

ARB FY 2016-17 Waste Diversion GHG Emission Reduction Calculator Tool

The Waste Diversion GHG Emission Reduction Calculator Tool is a required application document and is located at [Cap-and-Trade Auction Proceeds Quantification Materials](#) under the Agency/Department name, Department of Resources Recycling and Recovery (CalRecycle). This calculator is an Excel spreadsheet that contains numerous tabs. The purpose of this calculator is to estimate the GHG reductions, from the net tons of materials diverted to metric tons of carbon dioxide equivalent (MTCO_{2e}) and the MTCO_{2e} per grant dollar. Note that the calculation is based on net tons of material diverted, not gross tons. This is part of the scoring process.

Alternative Methodology Request and Process

Applicants must demonstrate that the proposed project results in GHG emission reductions. Applicants are expected to use the ARB-approved FY 2016-17 quantification methodology available at: [Cap-and-Trade Auction Proceeds Quantification Materials](#), but applicants that propose eligible projects (i.e., consistent with the eligibility requirements within CalRecycle's solicitation materials) that cannot be calculated using the GHG quantification methodology, may propose an alternative GHG quantification method. The process for doing so is as follows:

1. Applicant emails request to CalRecycle Grant.Assistance@CalRecycle.ca.gov, at **least three** weeks before the Application Due Date and indicates their proposed project fits outside of scope of the calculator and would like to use an alternative methodology.
2. CalRecycle, in consultation with ARB, will evaluate whether the proposed project is substantially outside of the scope of the calculator worksheet and warrants project-specific calculations. If both agencies agree that project is sufficiently outside the scope of the calculator, the applicant receives permission via email from CalRecycle

that it is okay to submit an alternative method. Applicants will receive this email no later than **two weeks** prior to the Application Due Date. **Note:** ARB and CalRecycle have **one week** to confer and respond to the applicant. ARB and CalRecycle will provide guidance to the applicant on the parameters of the GHG analysis.

3. Applicant indicates via radio button on the Detail tab in GMS if they are using the ARB calculator or alternative method. Applicants submits GHG estimate and supporting documentation with their application by the Application Due Date via GMS.
4. CalRecycle and ARB will review the GHG estimate and supporting documentation and, if necessary, may make adjustments after the application and supporting documentation are submitted and before applications are scored to make sure alternative method is consistent with the ARB-approved quantification methodology where appropriate.
5. Application, including GHG emission reductions, will be scored and ranked against other applicants.

Budget

The Budget document is a required application document. Provide a clear accounting of all costs associated with all infrastructure activities necessary to complete the project. Indicate additional funding sources and your ability to commence work on the project while waiting for grant payments in arrears. There are additional Budget questions located in the Narrative Proposal document. Budget line items should relate to Work Plan activities and information in the Project Narrative. The applicant may upload invoices and quotes to support costs listed in the budget. Below are some examples of expenses and how to classify them in your budget.

Budget Category Name	Examples
Admin	Overhead, indirect
Construction/Application	Design, site preparation, installation, engineering costs, maintenance
Equipment	Extruder, glass furnace, conveyors, molding machine, pulper, etc.
Material	Pipes, valves, concrete, supply lines, solvents, lubricants, etc.
Personnel	Salaries

Payment for expenses associated with infrastructure will only be made on a reimbursement basis. Applicant/grantee shall not incur costs prior to CalRecycle’s issuance of the Notice to Proceed.

If applicant is also applying for a loan from CalRecycle’s Greenhouse Gas Reduction Loan Program, funding from the loan program must be used for separate project components than funding from the grant program and applicant must explain, in the Narrative Proposal, how funding from the two programs will work together.

Disadvantaged Communities Summary

The Disadvantaged Communities Summary is a required application document. It is used to determine if your project meaningfully addresses an important community need and provides direct, meaningful, and assured benefits to a disadvantaged community per the criteria established in Appendix 2.A of the [Cap-and-Trade Auction Proceeds Funding Guidelines for Agencies that Administer California Climate Investments](#), December 21, 2015.

Disadvantaged communities are identified by CalEPA's October 31, 2014 identification based on CalEnviroScreen 2.0. Disadvantaged community maps are available at [CalEnviroScreen 2.0](#). Projects claiming to benefit disadvantaged communities must be designed to avoid substantial burdens (e.g., displacement of low income disadvantaged community residents and businesses or increased exposure to toxics or other health risks). This is part of the scoring process.

Environmentally Preferable Purchasing and Practices Policy Notification

If you checked "No, our organization does not have an EPPP Policy" on the Detail tab of your application, your organization must adopt one by the secondary due date and upload CalRecycle's EPPP Notification document or your application will be disqualified.

Note: Do not upload a copy of your organization's policy. Your policy does not replace the required CalRecycle EPPP Notification document.

Feedstock Certification (CalRecycle 778-GHG)

CalRecycle 778-GHG is a required application document. It is the applicant's responsibility to ensure the each Feedstock Certification form is accurate and complete. The Primary Feedstock Supplier must sign the form. CalRecycle staff will use this information to determine that feedstock amounts are sufficient and agreements are in place to support your project.

Financial Narrative and Documentation

The Financial Narrative is a required application document. The Financial Narrative includes a list of supporting documents that are required based on the entity type selected in question 3. The documents will be evaluated and analyzed only by CalRecycle's financial staff, kept confidential, and will be maintained with restricted access. The GMS document types listed below relate to the list of supporting documents and include additional securities that automatically restrict access when selected.

Supporting documents required by all applicants:

- Projected/Pro-forma Financial Statement
- Commitment/Confirmation Letters

Supporting documents that may be required based on the entity type selected. Please refer to the Financial Narrative for further direction on the documents.

- Tax Returns
- Feedstock Contracts
- Historical Financial Statements
- Outstanding Debt Instruments
- Current Financial Statements/Budget

General Checklist of Business Permits, Licenses and Filings (CalRecycle 669)

CalRecycle 669 is a required application document. Check the appropriate box on **each** line of the form. It must be signed by the Signature Authority, scanned, and uploaded to the Documents tab along with copies of any documentation related to this form (i.e. Solid Waste Facilities Permit, Water Quality Permit, Conditional Use Permit, Air Quality Permit, licenses and filings, letter describing what has been done to achieve full compliance). CalRecycle staff will use this information to determine your permitting, constructions, and start-up status.

Narrative Proposal

The Narrative Proposal is a required application document that describes the details of your proposed project. The response size for each section is limited to 4,000 characters and cannot be expanded. Utilizing a document form other than the official CalRecycle versions, tampering with the CalRecycle version, or otherwise circumventing imposed character limits may subject the applicant to disqualification.

Net Tons of Newly Diverted Material Used in Manufacturing or Textile Reuse

The Net Tons of Newly Diverted Material Used in Manufacturing or Textile Reuse is a required application document used to provide the annual tons of materials expected to be newly diverted away from landfilling and toward manufacturing or textile reuse once the project is up and running. Although GHG reductions are the primary purpose of this program, all projects must show a measurable increase in new tons diverted. Please see the Project Requirements section in this document for a definition of “newly diverted.”

Each section of the Narrative Proposal must have a response. Ensure your narrative responses are concise, detailed, and most importantly, address each of the criteria in the [Recycled Fiber, Plastic, and Glass Grant Program - Scoring Criteria Fiscal Year 2016–17](#). After you complete the Narrative Proposal, save it to your computer and then upload it to the Documents tab of your application. Make sure the information in the Narrative is consistent with, and relates to, work activities in the Work Plan and line items in the Budget.

Project Readiness and Permits

The Project Readiness and Permits document is a required application document. CalRecycle staff will use the document to assess the likelihood of your project being completed within the grant term.

Supplemental Business Information

The Supplemental Business Information is an *optional* document and will not be scored as part of your application. Completing this document may help CalRecycle provide your company with business assistance.

Work Plan

The Work Plan is a required application document. Include all procedures or tasks used to complete your project. Additional Work Plan requirements are located in the Narrative Proposal document. Please ensure activities relate to line items in the Budget.

APPLICANT'S DOCUMENTS

Below is a list of documents that the applicant is responsible for preparing and uploading to their application. For examples of these documents, please look in the **Summary Tab** in GMS for **Resource Links** and **Resource Documents**.

Material Flow Chart

The Material Flow Chart is a required application document. It will provide information about the currently disposed material and CalRecycle will compare the current process to the proposed project. You may use the Newly Diverted Material Flow Chart example as a guide to prepare your flow chart. It is located on the **Summary Tab** under **Resource Documents**. The flow chart must include the following information:

- All business entities or other organizations involved, as well as their roles, activities, and addresses.
- Current feedstock flow, (i.e., where current feedstock is coming from and where the feedstock is going). Include the original source (generator name) and type of disposed material, the jurisdiction(s) of origin for each major material type, and the hauler or other party that currently controls the materials. (For example, fiber waste from Textile, Inc. in Prosperity City, CA, currently taken to the Prosperity City Landfill by Busy Bee Disposal.)
- The weight in tons per year (TPY) currently disposed in landfills, including the name and location of the landfills currently being utilized.
- The weight in TPY for each step of the proposed material flow in the first year of the project. **Note:** This amount should equal the amount reported for the first year on the Net Tons of Newly Diverted Material Used in Manufacturing or Textile Reuse document.
- For projects incorporating a textile reuse component, include the partnering organization(s) background information (name, address, phone number, contact person), roles, and responsibilities; the estimated tonnage of textiles to be reused; the communities which are the intended recipients of the textiles; and the type of textile residuals, including the tonnage rescued but not distributed to the community.

Lease Agreement for Facilities on Non-Owned Property

Applicants that want to establish facilities or expand existing facilities on property not owned by the applicant must prove a legally binding long-term commitment. If an applicant is planning to lease buildings for any part of their submitted project, you are required to upload a copy of the long-term lease evidencing your commitment to utilize the facility for the purpose set forth in the grant and your commitment to utilize the facility as described in the application for life of facility. A copy of any agreement between the applicant and private owner must be uploaded in the Documents tab of the application.

Resolution

Any applicant that is subject to a governing body must upload a Resolution that authorizes specific grant-related matters. A copy of the authorizing Resolution is a required application document that must be uploaded no later than the secondary due date or the application will be deemed incomplete and will be disqualified. Resolution requirements vary for individual and regional lead applications. Some publicly held businesses or private companies may be eligible to submit a Letter of Commitment instead of a Resolution. See the **Resolution and Letter Examples** link found on the **Summary Tab** for more information.

Individual Application Requirements:

1. The Resolution must authorize submittal of an application for one or more specifically named CalRecycle grant(s) or for all CalRecycle grants for which the applicant is eligible.
2. The Resolution must identify the period of time, up to five years, during which the authorizations are valid. Five years is encouraged; however, periods of less than five years are acceptable. If a Resolution does not specifically identify a period of time, it will be considered valid for one year from the date of adoption.
3. The Resolution must identify the Signature Authority by listing the job title of the person(s) authorized to sign all grant-related documents necessary to implement and close-out the grant(s).

(Optional but encouraged) The Resolution should authorize the Signature Authority to delegate his/her signature authority to another person identified by job title.

Note: The Signature Authority must sign a Letter of Designation **prior** to the Designee's exercise of his/her authority.

Regional Lead Application Requirements

1. The Regional Lead Participant (Lead) must submit an approved Resolution that authorizes it to act as a lead for a regional program. This Resolution authorizes submittal of a regional application on behalf of the Lead and specifically named participants, and includes authorization letters from the participating jurisdictions authorizing the Lead to act on their behalf for this cycle.
2. If the Resolution is valid for more than one year, it is highly recommended a) that the list of participants be provided as an attachment rather than embedded in the Resolution, and b) that the Signature Authority be authorized to revise the list as necessary with each subsequent application. This allows a Signature Authority to add or remove regional participants with each new application without the necessity of obtaining a new Resolution.
3. Participants subject to a governing body must provide a Letter of Authorization to the Lead authorizing the Lead to act on its behalf for this cycle. Letters of Authorizations may be valid for as long as the Lead's Resolution, not to exceed five years, otherwise must be dated within the last 12 months, to the Regional Lead authorizing the Lead Applicant to act on its behalf for this cycle. Copies of the Letters of Authorization must be uploaded with the application by the secondary due date.

Cooperative Lead Application Requirements

1. The Cooperative Lead Participant must submit an approved Resolution or Letter of Commitment (please see requirements for each type) that authorizes it to act as a lead for a cooperative program. The Resolution or Letter of Commitment shall also authorize the submittal of a cooperative application on behalf of the Lead and specifically named Participating Entities.
2. Participating Entities must provide a Letter of Authorization, dated within the last 12 months, to the Lead Participant authorizing the Lead Participant to act on its behalf for this cycle. Copies of the Letters of Authorization must be uploaded with the application by the secondary due date.

Letter of Commitment

Applicants that are not subject to a governing body must upload a Letter of Commitment no later than the secondary due date or the application will be deemed incomplete and will be disqualified. Some publicly held businesses or private companies may submit a Letter of Commitment under the condition that the signatory is an individual authorized to contractually bind the applicant for the conditions of the grant award. The letter with an original signature must be maintained in the applicant/grantee grant file. This letter must:

- Authorize submittal of the Recycled Fiber, Plastic, and Glass Grant Program application on behalf of applicant.
- Designate the job title of the person authorized to execute all grant documents necessary to secure grant funds and implement the approved grant project (Signature Authority). Include any persons from participating organizations and the specific signage authority they will have.
- Authorize the Signature Authority to delegate this authority (not required but encouraged).

Letter of Designation

A Letter of Designation is required ONLY when the authorized Signature Authority delegates his/her authority to another person. First, the approved Resolution must indicate the Signature Authority's ability to delegate or designate his/her authority. Second, the letter must be uploaded **prior** to the Designee's exercise of his/her authority. For example, if the Designee signs the Application Certification in place of the Signature Authority, the letter must be uploaded when the Application Certification is submitted. The letter must:

- Be on the applicant's letterhead.
- Identify the job title of the Designee.
- Identify the scope of the Designee's authority.
- Identify the period during which the Designee may exercise the authority. The Designee's authority may not extend beyond the effective date of the approved Resolution (for example, if the Resolution is effective until May 15, 2021, then the Letter of Designation may not be effective beyond May 15, 2021). If a time period is not identified, then the letter will follow the same time frame as the Resolution.
- It must be signed by the Signature Authority.

Letter of Authorization

A Letter of Authorization is for grants that allow for Regional applications. It is prepared by the Participating Jurisdiction and gives the Lead Participant authorization to apply for and to act on its behalf in the implementation and administration of the grant/program. The Regional Lead Participant must upload the Letter of Authorization no later than the secondary due date or the Participating Jurisdiction(s) will be removed from the application. The letter with the original signature must be maintained in applicant/grantee grant file. The letter must:

- Be on the Regional Participant's official letterhead.
- Be dated within 12 months prior to the application due date.
- Authorize the Regional Lead to submit a regional application and act as Lead Agency on behalf of the Participating Jurisdiction.
- Authorize the Regional Lead to execute all documents necessary to implement the grant.
- Be signed by an individual authorized to contractually bind the Participating Jurisdiction.

Letters of Support

Letters of Support are optional. Applicants may include letters of support or endorsements from local officials, regulatory/advisory agencies, business partners, environmental groups or others in support of the proposed project. If you have more than one letter of support, scan them all as one document and upload as one document.

GRANT REVIEW AND AWARD PROCESS

GRANT APPLICATION REVIEW PROCESS

After the close of the application period, CalRecycle staff will review the applications for completeness and eligibility. Only complete applications can be considered for award.

A CalRecycle review panel will evaluate and score all applications based on the approved Recycled Fiber, Plastic, and Glass Grant Program - Scoring Criteria Fiscal Year 2016–17. It can be found on the **Summary** tab, in the **Resources Document** section.

All eligible applications will be ranked according to the total number of points received. An application may receive a maximum of 110 possible points, with a 70-point minimum score required to be considered eligible for funding. Concise applications with strong detail and justification, logical work plans and budgets, proven readiness to move forward, and the greatest plausible environmental benefits will earn maximum points. Applications receiving a passing score will be recommended for funding. Grant recommendations will be in rank order according to applicant's score (highest passing score to lowest passing score) until funds are exhausted. While it is not likely, if there are not sufficient passing applications, CalRecycle will resolicit the cycle.

Applicants who are also applying for a loan from the Greenhouse Gas Reduction Loan Program should note that loan applications will be evaluated competitively on a first-come, first served basis. The project must meet the minimum passing score based on the first three categories of the Recycled Fiber, Plastic, and Glass Grant Program - Scoring Criteria Fiscal Year 2016–17 (greenhouse gas emission reductions, tons of recycled material used in manufacturing, and disadvantaged communities).

GRANT AWARD PROCESS

For qualifying applications, CalRecycle staff will develop funding recommendations for the consideration and approval of CalRecycle's Director, or their designee. CalRecycle will post a list of applicants that received a passing score (in alphabetical order) a month before the Public Meeting which is tentatively scheduled for October/November 2017. A list of those applicants being recommended for award, as well as applicants that passed but not enough funding was available, will be posted a week before this meeting. CalRecycle reserves the right to partially fund or fund individual phases of selected proposals, and CalRecycle may fund an amount less than requested. CalRecycle reserves the right to not award any grant funds under one or more cycles.

GRANT AWARD CONDITIONS

When awarded, this grant will be subject to two conditions:

- 1) The recommended grantee's Signature Authority (or where delegation is authorized), his/her Designee must sign and return the Grant Agreement to CalRecycle within 60 days from the date of mailing by CalRecycle.
- 2) The recommended grantee must a) pay all outstanding debts due CalRecycle, or b) bring current outstanding payments owed to CalRecycle within 60 days from the date CalRecycle conditionally awarded the grant.

Failure to comply with either requirement will void the grant award.

GRANT PROGRAM ADMINISTRATION

GRANT AGREEMENT

The Grant Agreement binds the grantee to CalRecycle's requirements as outlined in the Grant Agreement documents. An original signature is required on the Grant Agreement; electronic signatures will not be accepted. These documents shall guide the grantee's administration of the grant project.

Following CalRecycle's conditional approval of the grant awards, grantees will be emailed the following:

- Award email.
- Grant Agreement Cover Sheet (CalRecycle 110).
- Exhibit A – Terms and Conditions: contain CalRecycle standard legal requirements for grants.
- Exhibit B – Procedures and Requirements: contain specific requirements for administering this grant, including but not limited to project, reporting, and audit requirements.
- Exhibit C – Grantee's approved application with revisions, if any, and any amendments.
- Exhibit D – Approved Greenhouse Gas and Tonnage Numbers.

REPORTING PROCESS

A Critical Project Review is required in the first quarter of 2018. If program staff conclude that you are not able to successfully complete your grant at any time, your grant may be terminated in accordance with the discretionary termination clause of the Terms and Conditions (Exhibit A).

Grantees are required to report on the progress of their grant on a quarterly basis. The Final Report is due on April 1, 2020. Detailed reporting information is included in the Procedures and Requirements (Exhibit B) of the Grant Agreement. The state has the right to review project documents and conduct audits during project implementation and over the project life (2017–2026).

PAYMENT REQUEST PROCESS

Eligible costs and performance payments are authorized for reimbursement or payment upon the Grant Manager's approval of the Payment Request, and if required, the accompanying Progress/Final Report. Payment Requests must include itemized documentation of claimed expenses (e.g., itemized receipts and proof of payment of invoices), or verification of tonnage diverted from a landfill (i.e. Feedstock Certification, CalRecycle 778-GHG). CalRecycle will retain 10 percent of each approved Payment Request amount until the Grant Manager approves the Final Report, the final Payment Request and all required supporting documentation. Failure to submit these final documents by the deadline specified in the Procedures and Requirements (Exhibit B) or failure to receive the Grant Manager's approval of these documents by April 1, 2020, may result in the nonpayment of otherwise eligible costs. Detailed payment information is included in the Procedures and Requirements (Exhibit B) of the Grant Agreement. Required documents and reports are subject to change due to [Cap-and-Trade Auction Proceeds Funding Guidelines for Agencies that Administer California Climate Investments](#) or legislative requirements.